

# HOUSE BILL No. 1367

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-1.1; IC 6-3.5-7-26; IC 9-13-2-96; IC 9-22-1.5-6; IC 9-29-4-5.5; IC 26-1-9.1-311; IC 36-2.

**Synopsis:** Reclassification of manufactured homes as real property. Provides that manufactured homes are real property for purposes of property tax assessment. Changes the current property tax definition of "mobile home" to "manufactured home". Repeals the requirement for obtaining a certificate of title for a manufactured home from the bureau of motor vehicles. Requires evidence of ownership of a manufactured home to be obtained and recorded with the county recorder in the county in which the manufactured home is located. Provides that for a security interest in a manufactured home to be perfected, the secured party must record the interest on the evidence of ownership form for the manufactured home in the county in which the manufactured home is located. Repeals the affidavit of transfer to real estate. Makes conforming changes.

**Effective:** July 1, 2008; July 1, 2009.

**Murphy**

January 16, 2008, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 115th General Assembly (2008)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2007 Regular Session of the General Assembly.

## HOUSE BILL No. 1367

A BILL FOR AN ACT to amend the Indiana Code concerning property taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-1.1-1-2 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. "Assessment date"  
3 means

4 (1) March 1 for all tangible property. ~~except mobile homes as~~  
5 ~~defined in IC 6-1.1-7-1.~~

6 (2) ~~January 15 for mobile homes as defined in IC 6-1.1-7-1.~~

7 SECTION 2. IC 6-1.1-1-8.7 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 8.7. ~~"Mobile home"~~ has  
9 the meaning set forth in IC 6-1.1-7-1. (a) **"Manufactured home"**  
10 means a dwelling that:

11 (1) is factory assembled;

12 (2) is transportable;

13 (3) is intended for year-round occupancy;

14 (4) exceeds thirty-five (35) feet in length; and

15 (5) is designed either for transportation on its own chassis or  
16 placement on a temporary foundation.

17 (b) The term does not include a structure held for the purpose



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1 **of resale.**

2 SECTION 3. IC 6-1.1-1-15 IS AMENDED TO READ AS  
3 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 15. "Real property"  
4 means:

- 5 (1) land located within this state;  
6 (2) a building or fixture situated on land located within this state;  
7 (3) an appurtenance to land located within this state;  
8 (4) an estate in land located within this state, or an estate, right,  
9 or privilege in mines located on or minerals, including but not  
10 limited to oil or gas, located in the land, if the estate, right, or  
11 privilege is distinct from the ownership of the surface of the land;  
12 ~~and~~

- 13 (5) notwithstanding IC 6-6-6-7, a riverboat:  
14 (A) licensed under IC 4-33; or  
15 (B) operated under an operating agent contract under  
16 IC 4-33-6.5; **and**

17 **(6) a manufactured home;**

18 for which the department of local government finance shall prescribe  
19 standards to be used by township assessors.

20 SECTION 4. IC 6-1.1-4-39, AS AMENDED BY P.L.199-2005,  
21 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
22 JULY 1, 2009]: Sec. 39. (a) For assessment dates after February 28,  
23 2005, except as provided in subsections (c) and (e), the true tax value  
24 of real property regularly used to rent or otherwise furnish residential  
25 accommodations for periods of thirty (30) days or more and that has  
26 more than four (4) rental units is the lowest valuation determined by  
27 applying each of the following appraisal approaches:

28 (1) Cost approach that includes an estimated reproduction or  
29 replacement cost of buildings and land improvements as of the  
30 date of valuation together with estimates of the losses in value  
31 that have taken place due to wear and tear, design and plan, or  
32 neighborhood influences.

33 (2) Sales comparison approach, using data for generally  
34 comparable property.

35 (3) Income capitalization approach, using an applicable  
36 capitalization method and appropriate capitalization rates that are  
37 developed and used in computations that lead to an indication of  
38 value commensurate with the risks for the subject property use.

39 (b) The gross rent multiplier method is the preferred method of  
40 valuing

- 41 ~~(1)~~ real property that has at least one (1) and not more than four  
42 (4) rental units. ~~and~~

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~~(2) mobile homes assessed under IC 6-1.1-7.~~

(c) A township assessor is not required to appraise real property referred to in subsection (a) using the three (3) appraisal approaches listed in subsection (a) if the township assessor and the taxpayer agree before notice of the assessment is given to the taxpayer under section 22 of this chapter to the determination of the true tax value of the property by the assessor using one (1) of those appraisal approaches.

(d) To carry out this section, the department of local government finance may adopt rules for assessors to use in gathering and processing information for the application of the income capitalization method and the gross rent multiplier method. A taxpayer must verify under penalties for perjury any information provided to the assessor for use in the application of either method.

(e) The true tax value of low income rental property (as defined in section 41 of this chapter) is not determined under subsection (a). The assessment method prescribed in section 41 of this chapter is the exclusive method for assessment of that property. This subsection does not impede any rights to appeal an assessment.

SECTION 5. IC 6-1.1-12-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Each year a person who is a resident of this state may receive a deduction from the assessed value of:

(1) mortgaged real property, an installment loan financed mobile home that is not assessed as real property, or an installment loan financed manufactured home that is not assessed as real property that ~~he~~ **the person** owns; or

(2) real property, a mobile home that is not assessed as real property, or a manufactured home that is not assessed as real property that ~~he~~ **the person** is buying under a contract, with the contract or a memorandum of the contract recorded in the county recorder's office, which provides that ~~he~~ **the person** is to pay the property taxes on the real property, mobile home, or manufactured home.

(b) ~~Except as provided in section 40.5 of this chapter,~~ The total amount of the deduction which the person may receive under this section for a particular year is:

(1) the balance of the mortgage or contract indebtedness on the assessment date of that year;

(2) one-half (1/2) of the assessed value of the real property, mobile home, or manufactured home; or

(3) three thousand dollars (\$3,000);

whichever is least.

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(c) A person who has sold real property a ~~mobile home not assessed as real property, or a manufactured home not assessed as real property~~ to another person under a contract which provides that the contract buyer is to pay the property taxes on the real property ~~mobile home, or manufactured home~~ may not claim the deduction provided under this section with respect to that real property. ~~mobile home, or manufactured home.~~

SECTION 6. IC 6-1.1-12-2, AS AMENDED BY P.L.183-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided by section 1 of this chapter must file a statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property ~~mobile home not assessed as real property, or manufactured home not assessed as real property~~ is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the person wishes to obtain the deduction. ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. In addition to the statement required by this subsection, a contract buyer who desires to claim the deduction must submit a copy of the recorded contract or recorded memorandum of the contract, which must contain a legal description sufficient to meet the requirements of IC 6-1.1-5, with the first statement that the buyer files under this section with respect to a particular parcel of real property. Upon receipt of the statement and the recorded contract or recorded memorandum of the contract, the county auditor shall assign a separate description and identification number to the parcel of real property being sold under the contract.

(b) The statement referred to in subsection (a) must be verified under penalties for perjury, and the statement must contain the following information:

- (1) The balance of the person's mortgage or contract indebtedness on the assessment date of the year for which the deduction is claimed.
- (2) The assessed value of the real property, mobile home, or manufactured home.
- (3) The full name and complete residence address of the person

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and of the mortgagee or contract seller.

(4) The name and residence of any assignee or bona fide owner or holder of the mortgage or contract, if known, and if not known, the person shall state that fact.

(5) The record number and page where the mortgage, contract, or memorandum of the contract is recorded.

(6) A brief description of the real property, mobile home, or manufactured home which is encumbered by the mortgage or sold under the contract.

(7) If the person is not the sole legal or equitable owner of the real property, ~~mobile home; or manufactured home~~, the exact share of the person's interest in it.

(8) The name of any other county in which the person has applied for a deduction under this section and the amount of deduction claimed in that application.

(c) The authority for signing a deduction application filed under this section may not be delegated by the real property ~~mobile home; or manufactured home~~ owner or contract buyer to any person except upon an executed power of attorney. The power of attorney may be contained in the recorded mortgage, contract, or memorandum of the contract, or in a separate instrument.

SECTION 7. IC 6-1.1-12-9, AS AMENDED BY P.L.219-2007, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9. (a) An individual may obtain a deduction from the assessed value of the individual's real property ~~or mobile home or manufactured home which is not assessed as real property~~; if:

(1) the individual is at least sixty-five (65) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the combined adjusted gross income (as defined in Section 62 of the Internal Revenue Code) of:

(A) the individual and the individual's spouse; or

(B) the individual and all other individuals with whom:

(i) the individual shares ownership; or

(ii) the individual is purchasing the property under a contract;

as joint tenants or tenants in common;

for the calendar year preceding the year in which the deduction is claimed did not exceed twenty-five thousand dollars (\$25,000);

(3) the individual has owned the real property ~~mobile home; or manufactured home~~ for at least one (1) year before claiming the deduction; or the individual has been buying the real property

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1 ~~mobile home, or manufactured home~~ under a contract that  
 2 provides that the individual is to pay the property taxes on the real  
 3 property, mobile home, or manufactured home for at least one (1)  
 4 year before claiming the deduction, and the contract or a  
 5 memorandum of the contract is recorded in the county recorder's  
 6 office;

7 (4) the individual and any individuals covered by subdivision  
 8 (2)(B) reside on the real property; ~~mobile home, or manufactured~~  
 9 ~~home~~;

10 (5) the assessed value of the real property ~~mobile home, or~~  
 11 ~~manufactured home~~ does not exceed one hundred eighty-two  
 12 thousand four hundred thirty dollars (\$182,430); and

13 (6) the individual receives no other property tax deduction for the  
 14 year in which the deduction is claimed, except the deductions  
 15 provided by sections 1, 37, and 38 of this chapter.

16 (b) Except as provided in subsection ~~(h)~~, (g), in the case of real  
 17 property, an individual's deduction under this section equals the lesser  
 18 of:

19 (1) one-half (1/2) of the assessed value of the real property; or

20 (2) twelve thousand four hundred eighty dollars (\$12,480).

21 ~~(c)~~ Except as provided in subsection ~~(h)~~ and section 40.5 of this  
 22 chapter, in the case of a mobile home that is not assessed as real  
 23 property or a manufactured home which is not assessed as real  
 24 property, an individual's deduction under this section equals the lesser  
 25 of:

26 ~~(1)~~ one-half (1/2) of the assessed value of the mobile home or  
 27 manufactured home; or

28 ~~(2)~~ twelve thousand four hundred eighty dollars (\$12,480).

29 ~~(d)~~ (c) An individual may not be denied the deduction provided  
 30 under this section because the individual is absent from the real  
 31 property ~~mobile home, or manufactured home~~ while in a nursing home  
 32 or hospital.

33 ~~(e)~~ (d) For purposes of this section, if real property a ~~mobile home,~~  
 34 ~~or a manufactured home~~ is owned by:

35 (1) tenants by the entirety;

36 (2) joint tenants; or

37 (3) tenants in common;

38 only one (1) deduction may be allowed. However, the age requirement  
 39 is satisfied if any one (1) of the tenants is at least sixty-five (65) years  
 40 of age.

41 ~~(f)~~ (e) A surviving spouse is entitled to the deduction provided by  
 42 this section if:

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(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(6).

~~(g)~~ (f) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under this section against that real property.

~~(h)~~ (g) In the case of tenants covered by subsection (a)(2)(B), if all of the tenants are not at least sixty-five (65) years of age, the deduction allowed under this section shall be reduced by an amount equal to the deduction multiplied by a fraction. The numerator of the fraction is the number of tenants who are not at least sixty-five (65) years of age, and the denominator is the total number of tenants.

SECTION 8. IC 6-1.1-12-10.1, AS AMENDED BY P.L.183-2007, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property ~~mobile home; or manufactured home~~ is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property ~~a mobile home; or a manufactured home~~ subject to assessment in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

(1) the source and exact amount of gross income received by the individual and the individual's spouse during the preceding

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calendar year;

(2) the description and assessed value of the real property; ~~mobile home; or manufactured home;~~

(3) the individual's full name and complete residence address;

(4) the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property ~~mobile home; or manufactured home~~ on contract; and

(5) any additional information which the department of local government finance may require.

(c) In order to substantiate the deduction statement, the applicant shall submit for inspection by the county auditor a copy of the applicant's and a copy of the applicant's spouse's income tax returns for the preceding calendar year. If either was not required to file an income tax return, the applicant shall subscribe to that fact in the deduction statement.

SECTION 9. IC 6-1.1-12-11, AS AMENDED BY P.L.99-2007, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. (a) ~~Except as provided in section 40.5 of this chapter;~~ An individual may have the sum of twelve thousand four hundred eighty dollars (\$12,480) deducted from the assessed value of real property ~~mobile home not assessed as real property; or manufactured home not assessed as real property~~ that the individual owns, or that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property ~~mobile home; or manufactured home;~~ if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the individual is blind or the individual has a disability;

(2) the real property ~~mobile home; or manufactured home~~ is principally used and occupied by the individual as the individual's residence; and

(3) the individual's taxable gross income for the calendar year preceding the year in which the deduction is claimed did not exceed seventeen thousand dollars (\$17,000).

(b) For purposes of this section, taxable gross income does not include income which is not taxed under the federal income tax laws.

(c) For purposes of this section, "blind" has the same meaning as the definition contained in IC 12-7-2-21(1).

(d) For purposes of this section, "individual with a disability" means a person unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which:

(1) can be expected to result in death; or

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(2) has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

(e) An individual with a disability filing a claim under this section shall submit proof of disability in such form and manner as the department shall by rule prescribe. Proof that a claimant is eligible to receive disability benefits under the federal Social Security Act (42 U.S.C. 301 et seq.) shall constitute proof of disability for purposes of this section.

(f) An individual with a disability not covered under the federal Social Security Act shall be examined by a physician and the individual's status as an individual with a disability determined by using the same standards as used by the Social Security Administration. The costs of this examination shall be borne by the claimant.

(g) An individual who has sold real property ~~a mobile home not assessed as real property, or a manufactured home not assessed as real property~~ to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property ~~mobile home, or manufactured home~~ may not claim the deduction provided under this section against that real property. ~~mobile home, or manufactured home.~~

SECTION 10. IC 6-1.1-12-12, AS AMENDED BY P.L.183-2007, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 12. (a) Except as provided in section 17.8 of this chapter, a person who desires to claim the deduction provided in section 11 of this chapter must file an application, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property ~~mobile home not assessed as real property, or manufactured home not assessed as real property~~ is located. With respect to real property, the application must be filed during the twelve (12) months before June 11 of each year for which the individual wishes to obtain the deduction. ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the application must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction.~~ The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) Proof of blindness may be supported by:

(1) the records of a county office of family and children, the division of family resources, or the division of disability and rehabilitative services; or

(2) the written statement of a physician who is licensed by this

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state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property ~~mobile home, or manufactured home~~ on a contract that provides that the individual is to pay property taxes on the real property. ~~mobile home, or manufactured home.~~

SECTION 11. IC 6-1.1-12-13, AS AMENDED BY P.L.99-2007, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 13. (a) ~~Except as provided in section 40.5 of this chapter,~~ An individual may have twenty-four thousand nine hundred sixty dollars (\$24,960) deducted from the assessed value of the taxable tangible property that the individual owns, or real property ~~a mobile home not assessed as real property, or a manufactured home not assessed as real property~~ that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, ~~mobile home, or manufactured home,~~ if the contract or a memorandum of the contract is recorded in the county recorder's office and if:

- (1) the individual served in the military or naval forces of the United States during any of its wars;
- (2) the individual received an honorable discharge;
- (3) the individual has a disability with a service connected disability of ten percent (10%) or more; and
- (4) the individual's disability is evidenced by:
  - (A) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs; or
  - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section.

(b) The surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) One who receives the deduction provided by this section may not receive the deduction provided by section 16 of this chapter. However, the individual may receive any other property tax deduction which the individual is entitled to by law.

(d) An individual who has sold real property ~~a mobile home not~~

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1 assessed as real property, or a manufactured home not assessed as real  
 2 property to another person under a contract that provides that the  
 3 contract buyer is to pay the property taxes on the real property ~~mobile~~  
 4 ~~home, or manufactured home~~ may not claim the deduction provided  
 5 under this section against that real property. ~~mobile home, or~~  
 6 ~~manufactured home.~~

7 SECTION 12. IC 6-1.1-12-14, AS AMENDED BY P.L.219-2007,  
 8 SECTION 26, AND AS AMENDED BY P.L.99-2007, SECTION 24,  
 9 IS CORRECTED AND AMENDED TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) Except as provided in  
 11 subsection (c), ~~and except as provided in section 40.5 of this chapter,~~  
 12 an individual may have the sum of twelve thousand four hundred eighty  
 13 dollars (\$12,480) deducted from the assessed value of the tangible  
 14 property that the individual owns (or the real property ~~mobile home not~~  
 15 ~~assessed as real property, or manufactured home not assessed as real~~  
 16 ~~property~~ that the individual is buying under a contract that provides  
 17 that the individual is to pay property taxes on the real property ~~mobile~~  
 18 ~~home, or manufactured home~~ if the contract or a memorandum of the  
 19 contract is recorded in the county recorder's office) if:

- 20 (1) the individual served in the military or naval forces of the  
 21 United States for at least ninety (90) days;  
 22 (2) the individual received an honorable discharge;  
 23 (3) the individual either:  
 24 (A) ~~is totally disabled;~~ has a total disability; or  
 25 (B) is at least sixty-two (62) years old and has a disability of at  
 26 least ten percent (10%); and  
 27 (4) the individual's disability is evidenced by:  
 28 (A) a pension certificate or an award of compensation issued  
 29 by the United States Department of Veterans Affairs; or  
 30 (B) a certificate of eligibility issued to the individual by the  
 31 Indiana department of veterans' affairs after the Indiana  
 32 department of veterans' affairs has determined that the  
 33 individual's disability qualifies the individual to receive a  
 34 deduction under this section.

35 (b) Except as provided in subsection (c), the surviving spouse of an  
 36 individual may receive the deduction provided by this section if the  
 37 individual would qualify for the deduction if the individual were alive.

38 (c) No one is entitled to the deduction provided by this section if the  
 39 assessed value of the individual's tangible property, as shown by the tax  
 40 duplicate, exceeds one hundred ~~thirteen~~ *forty-three* thousand *one*  
 41 *hundred sixty* dollars ~~(\$113,000).~~ (\$143,160).  
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(d) An individual who has sold real property ~~a mobile home not~~

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1 assessed as real property, or a manufactured home not assessed as real  
 2 property to another person under a contract that provides that the  
 3 contract buyer is to pay the property taxes on the real property ~~mobile~~  
 4 ~~home, or manufactured home~~ may not claim the deduction provided  
 5 under this section against that real property. ~~mobile home, or~~  
 6 ~~manufactured home.~~

7 SECTION 13. IC 6-1.1-12-15, AS AMENDED BY P.L.183-2007,  
 8 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2009]: Sec. 15. (a) Except as provided in section 17.8 of this  
 10 chapter, an individual who desires to claim the deduction provided by  
 11 section 13 or section 14 of this chapter must file a statement with the  
 12 auditor of the county in which the individual resides. With respect to  
 13 real property, the statement must be filed during the twelve (12)  
 14 months before June 11 of each year for which the individual wishes to  
 15 obtain the deduction. ~~With respect to a mobile home that is not~~  
 16 ~~assessed as real property or a manufactured home that is not assessed~~  
 17 ~~as real property, the statement must be filed during the twelve (12)~~  
 18 ~~months before March 31 of each year for which the individual wishes~~  
 19 ~~to obtain the deduction.~~ The statement may be filed in person or by  
 20 mail. If mailed, the mailing must be postmarked on or before the last  
 21 day for filing. The statement shall contain a sworn declaration that the  
 22 individual is entitled to the deduction.

23 (b) In addition to the statement, the individual shall submit to the  
 24 county auditor for the auditor's inspection:

- 25 (1) a pension certificate, an award of compensation, or a disability  
 26 compensation check issued by the United States Department of  
 27 Veterans Affairs if the individual claims the deduction provided  
 28 by section 13 of this chapter;
- 29 (2) a pension certificate or an award of compensation issued by  
 30 the United States Department of Veterans Affairs if the individual  
 31 claims the deduction provided by section 14 of this chapter; or
- 32 (3) the appropriate certificate of eligibility issued to the individual  
 33 by the Indiana department of veterans' affairs if the individual  
 34 claims the deduction provided by section 13 or 14 of this chapter.

35 (c) If the individual claiming the deduction is under guardianship,  
 36 the guardian shall file the statement required by this section.

37 (d) If the individual claiming a deduction under section 13 or 14 of  
 38 this chapter is buying real property a ~~mobile home not assessed as real~~  
 39 ~~property, or a manufactured home not assessed as real property~~ under  
 40 a contract that provides that the individual is to pay property taxes for  
 41 the real estate, ~~mobile home, or manufactured home~~, the statement  
 42 required by this section must contain the record number and page

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where the contract or memorandum of the contract is recorded.

SECTION 14. IC 6-1.1-12-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) ~~Except as provided in section 40.5 of this chapter,~~ A surviving spouse may have the sum of eighteen thousand seven hundred twenty dollars (\$18,720) deducted from the assessed value of his or her tangible ~~property~~; or real property ~~mobile home not assessed as real property; or manufactured home not assessed as real property~~ that the surviving spouse is buying under a contract that provides that ~~he~~ **the surviving spouse** is to pay property taxes on the real property, ~~mobile home; or manufactured home;~~ if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; and

(2) the deceased spouse received an honorable discharge.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property ~~a mobile home not assessed as real property; or a manufactured home not assessed as real property~~ to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property ~~mobile home; or manufactured home~~ may not claim the deduction provided under this section against that real property. ~~mobile home; or manufactured home.~~

SECTION 15. IC 6-1.1-12-17, AS AMENDED BY P.L.183-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. Except as provided in section 17.8 of this chapter, a surviving spouse who desires to claim the deduction provided by section 16 of this chapter must file a statement with the auditor of the county in which the surviving spouse resides. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of each year for which the surviving spouse wishes to obtain the deduction. ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property,~~ the statement must be filed during the twelve ~~(12)~~ months before March 31 of each year for which the individual ~~wishes to obtain the deduction.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain:

(1) a sworn statement that the surviving spouse is entitled to the

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1 deduction; and

2 (2) the record number and page where the contract or  
3 memorandum of the contract is recorded, if the individual is  
4 buying the real property on a contract that provides that the  
5 individual is to pay property taxes on the real property.

6 In addition to the statement, the surviving spouse shall submit to the  
7 county auditor for the auditor's inspection a letter or certificate from the  
8 United States Department of Veterans Affairs establishing the service  
9 of the deceased spouse in the military or naval forces of the United  
10 States before November 12, 1918.

11 SECTION 16. IC 6-1.1-12-17.4, AS AMENDED BY P.L.219-2007,  
12 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
13 JULY 1, 2009]: Sec. 17.4. (a) ~~Except as provided in section 40.5 of this~~  
14 ~~chapter~~, A World War I veteran who is a resident of Indiana is entitled  
15 to have the sum of eighteen thousand seven hundred twenty dollars  
16 (\$18,720) deducted from the assessed valuation of the real property  
17 ~~(including a mobile home that is assessed as real property); mobile~~  
18 ~~home that is not assessed as real property; or manufactured home that~~  
19 ~~is not assessed as real property~~ the veteran owns or is buying under a  
20 contract that requires the veteran to pay property taxes on the real  
21 property, if the contract or a memorandum of the contract is recorded  
22 in the county recorder's office, if:

23 (1) the real property ~~mobile home; or manufactured home~~ is the  
24 veteran's principal residence;

25 (2) the assessed valuation of the real property ~~mobile home; or~~  
26 ~~manufactured home~~ does not exceed two hundred six thousand  
27 five hundred dollars (\$206,500); and

28 (3) the veteran owns the real property ~~mobile home; or~~  
29 ~~manufactured home~~ for at least one (1) year before claiming the  
30 deduction.

31 (b) An individual may not be denied the deduction provided by this  
32 section because the individual is absent from the individual's principal  
33 residence while in a nursing home or hospital.

34 (c) For purposes of this section, if real property ~~a mobile home; or~~  
35 ~~a manufactured home~~ is owned by a husband and wife as tenants by the  
36 entirety, only one (1) deduction may be allowed under this section.  
37 However, the deduction provided in this section applies if either spouse  
38 satisfies the requirements prescribed in subsection (a).

39 (d) An individual who has sold real property ~~a mobile home not~~  
40 ~~assessed as real property; or a manufactured home not assessed as real~~  
41 ~~property~~ to another person under a contract that provides that the  
42 contract buyer is to pay the property taxes on the real property ~~mobile~~

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home, or manufactured home may not claim the deduction provided under this section with respect to that real property. ~~mobile home, or manufactured home.~~

SECTION 17. IC 6-1.1-12-17.5, AS AMENDED BY P.L.183-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property ~~mobile home, or manufactured home~~ is assessed. With respect to real property, the veteran must file the statement during the twelve (12) months before June 11 of each year for which the veteran wishes to obtain the deduction. ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property ~~mobile home, or manufactured home~~ on a contract that provides that the individual is to pay property taxes on the real property; ~~mobile home, or manufactured home~~; and
- (4) any additional information which the department of local government finance may require.

SECTION 18. IC 6-1.1-12-17.8, AS AMENDED BY P.L.95-2007, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17.8. (a) An individual who receives a deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who remains eligible for the deduction in the following year is not required to file a statement to apply for the deduction in the following year.

(b) An individual who receives a deduction provided under section

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1 1, 9, 11, 13, 14, 16, or 17.4 of this chapter in a particular year and who  
 2 becomes ineligible for the deduction in the following year shall notify  
 3 the auditor of the county in which the real property ~~mobile home, or~~  
 4 ~~manufactured home~~ for which the individual claims the deduction is  
 5 located of the individual's ineligibility before June 11 of the year in  
 6 which the individual becomes ineligible.

7 (c) The auditor of each county shall, in a particular year, apply a  
 8 deduction provided under section 1, 9, 11, 13, 14, 16, or 17.4 of this  
 9 chapter to each individual who received the deduction in the preceding  
 10 year unless the auditor determines that the individual is no longer  
 11 eligible for the deduction.

12 (d) An individual who receives a deduction provided under section  
 13 1, 9, 11, 13, 14, 16, or 17.4 of this chapter for property that is jointly  
 14 held with another owner in a particular year and remains eligible for  
 15 the deduction in the following year is not required to file a statement to  
 16 reapply for the deduction following the removal of the joint owner if:

- 17 (1) the individual is the sole owner of the property following the
- 18 death of the individual's spouse;
- 19 (2) the individual is the sole owner of the property following the
- 20 death of a joint owner who was not the individual's spouse; or
- 21 (3) the individual is awarded sole ownership of the property in a
- 22 divorce decree.

23 (e) A trust entitled to a deduction under section 9, 11, 13, 14, 16, or  
 24 17.4 of this chapter for real property owned by the trust and occupied  
 25 by an individual in accordance with section 17.9 of this chapter is not  
 26 required to file a statement to apply for the deduction, if:

- 27 (1) the individual who occupies the real property receives a
- 28 deduction provided under section 9, 11, 13, 14, 16, or 17.4 of this
- 29 chapter in a particular year; and
- 30 (2) the trust remains eligible for the deduction in the following
- 31 year.

32 SECTION 19. IC 6-1.1-12-26 IS AMENDED TO READ AS  
 33 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 26. (a) The owner of  
 34 real property ~~or a mobile home which is not assessed as real property;~~  
 35 which is equipped with a solar energy heating or cooling system may  
 36 have deducted annually from the assessed value of the real property or  
 37 mobile home an amount which is equal to the remainder of:

- 38 (1) the assessed value of the real property ~~or mobile home~~ with
- 39 the solar energy heating or cooling system included; minus
- 40 (2) the assessed value of the real property ~~or mobile home~~ without
- 41 the system.

42 (b) The department of local government finance shall promulgate

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rules and regulations for determining the value of a solar energy heating or cooling system. The rules and regulations must provide the method of determining the value on the basis of:

(1) the cost of the system components that are unique to the system and that are needed to collect, store, or distribute solar energy; and

(2) any other factor that is a just and proper indicator of value.

SECTION 20. IC 6-1.1-12-27.1, AS AMENDED BY P.L.183-2007, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 27.1. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 26 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property ~~or mobile home~~ is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before June 11 of each year for which the person desires to obtain the deduction. ~~With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property ~~or mobile home~~ is subject to assessment, the county auditor shall allow the deduction.

SECTION 21. IC 6-1.1-12-29 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 29. (a) For purposes of this section, "wind power device" means a device, such as a windmill or a wind turbine, that is designed to utilize the kinetic energy of moving air to provide mechanical energy or to produce electricity.

(b) The owner of real property ~~or a mobile home that is not assessed as real property~~, that is equipped with a wind power device is entitled to an annual property tax deduction. The amount of the deduction equals the remainder of:

(1) the assessed value of the real property ~~or mobile home~~ with the wind power device included; minus

(2) the assessed value of the real property ~~or mobile home~~ without the wind power device.

SECTION 22. IC 6-1.1-12-30, AS AMENDED BY P.L.183-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 30. Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by

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section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property ~~or mobile home~~ is subject to assessment. With respect to real property, the person must file the statement during the twelve (12) months before June 11 of each year for which the person desires to obtain the deduction. ~~With respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction.~~ On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, the county auditor shall allow the deduction.

SECTION 23. IC 6-1.1-12-33 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 33. (a) For purposes of this section "hydroelectric power device" means a device which is installed after December 31, 1981, and is designed to utilize the kinetic power of moving water to provide mechanical energy or to produce electricity.

(b) The owner of real property ~~or a mobile home that is not assessed as real property~~, that is equipped with a hydroelectric power device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of:

- (1) the assessed value of the real property ~~or mobile home~~ with the hydroelectric power device; minus
- (2) the assessed value of the real property or mobile home without the hydroelectric power device.

SECTION 24. IC 6-1.1-12-34 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 34. (a) For purposes of this section, "geothermal energy heating or cooling device" means a device that is installed after December 31, 1981, and is designed to utilize the natural heat from the earth to provide hot water, produce electricity, or generate heating or cooling.

(b) The owner of real property ~~or a mobile home that is not assessed as real property~~, that is equipped with a geothermal energy heating or cooling device is annually entitled to a property tax deduction. The amount of the deduction equals the remainder of:

- (1) the assessed value of the real property ~~or mobile home~~ with the geothermal heating or cooling device; minus
- (2) the assessed value of the real property or mobile home without the geothermal heating or cooling device.

SECTION 25. IC 6-1.1-12-35.5, AS AMENDED BY P.L.183-2007, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE

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JULY 1, 2009]: Sec. 35.5. (a) Except as provided in section 36 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), ~~with respect to property that is not assessed under IC 6-1.1-7,~~ the person must file the statement during the twelve (12) months before June 11 of the assessment year. The person must file the statement in each year for which the person desires to obtain the deduction. ~~With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that a system or device qualifies for a deduction, it shall certify the system or device and provide proof of the certification to the property owner. The department shall prescribe the form and manner of the certification process required by this subsection.

(c) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. If the department of environmental management receives an application for certification before May 11 of the assessment year, the department shall determine whether the system or device qualifies for a deduction before June 11 of the assessment year. If the department fails to make a determination under this subsection before June 11 of the assessment year, the system or device is considered certified.

(d) A denial of a deduction claimed under section 31, 33, 34, or 34.5 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal is limited to a review of a determination made by the township assessor, county property tax assessment board of appeals, or department of local government finance.

(e) A person who timely files a personal property return under

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IC 6-1.1-3-7(a) for an assessment year and who desires to claim the deduction provided in section 31 of this chapter for property that is not assessed under IC 6-1.1-7 must file the statement described in subsection (a) during the twelve (12) months before June 11 of that year. A person who obtains a filing extension under IC 6-1.1-3-7(b) for an assessment year must file the application between March 1 and the extended due date for that year.

(f) This subsection applies only to an application for a deduction under section 34.5 of this chapter. The center for coal technology research established by IC 21-47-4-1, upon receiving an application from the owner of a building, shall determine whether the building qualifies for a deduction under section 34.5 of this chapter. If the center determines that a building qualifies for a deduction, the center shall certify the building and provide proof of the certification to the owner of the building. The center shall prescribe the form and procedure for certification of buildings under this subsection. If the center receives an application for certification of a building under section 34.5 of this chapter before May 11 of an assessment year:

(1) the center shall determine whether the building qualifies for a deduction before June 11 of the assessment year; and

(2) if the center fails to make a determination before June 11 of the assessment year, the building is considered certified.

SECTION 26. IC 6-1.1-12-36, AS AMENDED BY P.L.214-2005, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 36. (a) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who remains eligible for the deduction for the following year is not required to file a statement to apply for the deduction for the following year.

(b) A person who receives a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter for a particular year and who becomes ineligible for the deduction for the following year shall notify the auditor of the county in which the real property or mobile home for which the person received the deduction is located of the person's ineligibility before March 31 of the year for which the person becomes ineligible.

(c) The auditor of each county shall, in a particular year, apply a deduction provided under section 26, 29, 33, 34, 34.5, or 38 of this chapter to each person who received the deduction in the preceding year unless the auditor determines that the person is no longer eligible for the deduction.

SECTION 27. IC 6-1.1-12-37, AS AMENDED BY P.L.224-2007,

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SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 37. (a) Each year a person who is entitled to receive the homestead credit provided under IC 6-1.1-20.9 for property taxes payable in the following year is entitled to a standard deduction from the assessed value of the real property ~~mobile home not assessed as real property; or manufactured home not assessed as real property~~ that qualifies for the homestead credit. The auditor of the county shall record and make the deduction for the person qualifying for the deduction.

(b) ~~Except as provided in section 40.5 of this chapter,~~ The total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

(1) one-half (1/2) of the assessed value of the real property; ~~mobile home not assessed as real property; or manufactured home not assessed as real property; or~~

(2) for property taxes first due and payable:

(A) before January 1, 2007, thirty-five thousand dollars (\$35,000);

(B) after December 31, 2006, and before January 1, 2009, forty-five thousand dollars (\$45,000);

(C) after December 31, 2008, and before January 1, 2010, forty-four thousand dollars (\$44,000);

(D) after December 31, 2009, and before January 1, 2011, forty-three thousand dollars (\$43,000);

(E) after December 31, 2010, and before January 1, 2012, forty-two thousand dollars (\$42,000);

(F) after December 31, 2011, and before January 1, 2013, forty-one thousand dollars (\$41,000); and

(G) after December 31, 2012, forty thousand dollars (\$40,000).

(c) A person who has sold real property ~~a mobile home not assessed as real property; or a manufactured home not assessed as real property~~ to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property ~~mobile home; or manufactured home~~ may not claim the deduction provided under this section with respect to that real property. ~~mobile home; or manufactured home.~~

SECTION 28. IC 6-1.1-20.9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. As used in this chapter:

(1) "Dwelling" means ~~any of the following:~~

~~(A)~~ residential real property improvements which an individual uses as ~~his~~ **the individual's** residence, including a

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house or garage.

~~(B) A mobile home that is not assessed as real property that an individual uses as the individual's residence.~~

~~(C) A manufactured home that is not assessed as real property that an individual uses as the individual's residence.~~

(2) "Homestead" means an individual's principal place of residence which:

(A) is located in Indiana;

(B) the individual either owns or is buying under a contract, recorded in the county recorder's office, that provides that he is to pay the property taxes on the residence; and

(C) consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

SECTION 29. IC 6-1.1-20.9-3, AS AMENDED BY P.L.183-2007, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) An individual who desires to claim the credit provided by section 2 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement shall include the parcel number or key number of the real estate and the name of the city, town, or township in which the real estate is located. With respect to real property, the statement must be filed during the twelve (12) months before June 11 of the year prior to the first year for which the person wishes to obtain the credit for the homestead. ~~With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of the first year for which the individual wishes to obtain the credit.~~ The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the credit is allowed.

(b) The certified statement referred to in subsection (a) shall contain the name of any other county and township in which the individual owns or is buying real property.

(c) If an individual who is receiving the credit provided by this chapter changes the use of the individual's real property, so that part or all of that real property no longer qualifies for the homestead credit provided by this chapter, the individual must file a certified statement with the auditor of the county, notifying the auditor of the change of use within sixty (60) days after the date of that change. An individual who changes the use of the individual's real property and fails to file

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the statement required by this subsection is liable for the amount of the credit the individual was allowed under this chapter for that real property.

(d) An individual who receives the credit provided by section 2 of this chapter for property that is jointly held with another owner in a particular year and remains eligible for the credit in the following year is not required to file a statement to reapply for the credit following the removal of the joint owner if:

(1) the individual is the sole owner of the property following the death of the individual's spouse;

(2) the individual is the sole owner of the property following the death of a joint owner who was not the individual's spouse; or

(3) the individual is awarded sole ownership of property in a divorce decree.

SECTION 30. IC 6-1.1-21-2, AS AMENDED BY P.L.1-2007, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges which a county treasurer combines with all other taxes in the preparation and delivery of the tax statements required under IC 6-1.1-22-8(a).

(c) "Department" means the department of state revenue.

(d) "Auditor's abstract" means the annual report prepared by each county auditor which under IC 6-1.1-22-5 is to be filed each year with the auditor of state.

(e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7 **(before its repeal)**.

(f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an auditor's abstract which change assessments therein or add assessments of omitted property affecting taxes for such assessment year.

(g) "Total county tax levy" means the sum of:

(1) the remainder of:

(A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the county for a stated assessment year as reflected by the auditor's abstract for the assessment year, adjusted, however, for any postabstract adjustments which change the amount of the aggregate levy;

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- 1 minus  
 2 (B) the sum of any increases in property tax levies of taxing  
 3 units of the county that result from appeals described in:  
 4 (i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after  
 5 December 31, 1982; plus  
 6 (ii) the sum of any increases in property tax levies of taxing  
 7 units of the county that result from any other appeals  
 8 described in IC 6-1.1-18.5-13 filed after December 31,  
 9 1983; plus  
 10 (iii) IC 6-1.1-18.6-3 (children in need of services and  
 11 delinquent children who are wards of the county) (before its  
 12 repeal); minus  
 13 (C) the total amount of property taxes imposed for the stated  
 14 assessment year by the taxing units of the county under the  
 15 authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),  
 16 IC 12-19-5, or IC 12-20-24; minus  
 17 (D) the total amount of property taxes to be paid during the  
 18 stated assessment year that will be used to pay for interest or  
 19 principal due on debt that:  
 20 (i) is entered into after December 31, 1983;  
 21 (ii) is not debt that is issued under IC 5-1-5 to refund debt  
 22 incurred before January 1, 1984; and  
 23 (iii) does not constitute debt entered into for the purpose of  
 24 building, repairing, or altering school buildings for which  
 25 the requirements of IC 20-5-52 (repealed) were satisfied  
 26 prior to January 1, 1984; minus  
 27 (E) the amount of property taxes imposed in the county for the  
 28 stated assessment year under the authority of IC 21-2-6  
 29 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a  
 30 cumulative building fund whose property tax rate was initially  
 31 established or reestablished for a stated assessment year that  
 32 succeeds the 1983 stated assessment year; minus  
 33 (F) the remainder of:  
 34 (i) the total property taxes imposed in the county for the  
 35 stated assessment year under authority of IC 21-2-6  
 36 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a  
 37 cumulative building fund whose property tax rate was not  
 38 initially established or reestablished for a stated assessment  
 39 year that succeeds the 1983 stated assessment year; minus  
 40 (ii) the total property taxes imposed in the county for the  
 41 1984 stated assessment year under the authority of IC 21-2-6  
 42 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a

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1 cumulative building fund whose property tax rate was not  
 2 initially established or reestablished for a stated assessment  
 3 year that succeeds the 1983 stated assessment year; minus  
 4 (G) the amount of property taxes imposed in the county for the  
 5 stated assessment year under:

6 (i) IC 21-2-15 (before its repeal) or IC 20-46-6 for a capital  
 7 projects fund; plus

8 (ii) IC 6-1.1-19-10 (before its repeal) or IC 20-46-3 for a  
 9 racial balance fund; plus

10 (iii) IC 36-12-12 for a library capital projects fund; plus

11 (iv) IC 36-10-13-7 for an art association fund; plus

12 (v) IC 21-2-17 (before its repeal) or IC 20-46-2 for a special  
 13 education preschool fund; plus

14 (vi) IC 21-2-11.6 (before its repeal) or IC 20-46-1 for a  
 15 referendum tax levy fund; plus

16 (vii) an appeal filed under IC 6-1.1-19-5.1 (before its repeal)  
 17 or IC 20-45-6-8 for an increase in a school corporation's  
 18 maximum permissible tuition support levy for certain  
 19 transfer tuition costs; plus

20 (viii) an appeal filed under IC 6-1.1-19-5.4 (before its  
 21 repeal) or IC 20-46-4-10 for an increase in a school  
 22 corporation's maximum permissible transportation fund levy  
 23 for transportation operating costs; minus

24 (H) the amount of property taxes imposed by a school  
 25 corporation that is attributable to the passage, after 1983, of a  
 26 referendum for an excessive tax levy under IC 6-1.1-19-4.5  
 27 (before its repeal), including any increases in these property  
 28 taxes that are attributable to the adjustment set forth in  
 29 IC 6-1.1-19-1.5 (before its repeal), IC 20-45-3, or any other  
 30 law; minus

31 (I) for each township in the county, the lesser of:

32 (i) the sum of the amount determined in IC 6-1.1-18.5-19(a)  
 33 STEP THREE (as effective January 1, 1990) or  
 34 IC 6-1.1-18.5-19(b) STEP THREE (as effective January 1,  
 35 1990), whichever is applicable, plus the part, if any, of the  
 36 township's ad valorem property tax levy for calendar year  
 37 1989 that represents increases in that levy that resulted from  
 38 an appeal described in IC 6-1.1-18.5-13(4) (as effective  
 39 before January 1, 1989), filed after December 31, 1982; or  
 40 (ii) the amount of property taxes imposed in the township for  
 41 the stated assessment year under the authority of  
 42 IC 36-8-13-4; minus

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(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus

(K) for each county, the sum of:

(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN (as effective January 1, 1995) for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under IC 12-19-7-4(b) (as effective before March 16, 2004) and IC 12-19-7-4 (as effective after March 15, 2004); and

(ii) the amount of property taxes imposed in the county attributable to appeals granted under IC 6-1.1-18.6-3 (before its repeal) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN (as effective January 1, 1995) for property taxes payable in 1995, or the amount determined under IC 12-19-7-4(b) (as effective before March 16, 2004) and IC 12-19-7-4 (as effective after March 15, 2004) for property taxes payable in each year after 1995; plus

(2) **for property taxes payable before 2010**, all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus

(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus

(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year

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- 1 certified shares under IC 6-1.1-18.5-3(e).
- 2 (h) "December settlement sheet" means the certificate of settlement  
3 filed by the county auditor with the auditor of state, as required under  
4 IC 6-1.1-27-3.
- 5 (i) "Tax duplicate" means the roll of property taxes that each county  
6 auditor is required to prepare each year under IC 6-1.1-22-3.
- 7 (j) "Eligible property tax replacement amount" is, except as  
8 otherwise provided by law, equal to the sum of the following:
- 9 (1) Sixty percent (60%) of the total county tax levy imposed by  
10 each school corporation in a county for its general fund for a  
11 stated assessment year.
- 12 (2) Twenty percent (20%) of the total county tax levy (less sixty  
13 percent (60%) of the levy for the general fund of a school  
14 corporation that is part of the total county tax levy) imposed in a  
15 county on real property for a stated assessment year.
- 16 (3) Twenty percent (20%) of the total county tax levy (less sixty  
17 percent (60%) of the levy for the general fund of a school  
18 corporation that is part of the total county tax levy) imposed in a  
19 county on tangible personal property, excluding business personal  
20 property, for an assessment year.
- 21 (k) "Business personal property" means tangible personal property  
22 (other than real property) that is being:
- 23 (1) held for sale in the ordinary course of a trade or business; or  
24 (2) held, used, or consumed in connection with the production of  
25 income.
- 26 (l) "Taxpayer's property tax replacement credit amount" means,  
27 except as otherwise provided by law, the sum of the following:
- 28 (1) Sixty percent (60%) of a taxpayer's tax liability in a calendar  
29 year for taxes imposed by a school corporation for its general fund  
30 for a stated assessment year.
- 31 (2) Twenty percent (20%) of a taxpayer's tax liability for a stated  
32 assessment year for a total county tax levy (less sixty percent  
33 (60%) of the levy for the general fund of a school corporation that  
34 is part of the total county tax levy) on real property.
- 35 (3) Twenty percent (20%) of a taxpayer's tax liability for a stated  
36 assessment year for a total county tax levy (less sixty percent  
37 (60%) of the levy for the general fund of a school corporation that  
38 is part of the total county tax levy) on tangible personal property  
39 other than business personal property.
- 40 (m) "Tax liability" means tax liability as described in section 5 of  
41 this chapter.
- 42 (n) "General school operating levy" means the ad valorem property

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1 tax levy of a school corporation in a county for the school corporation's  
2 general fund.

3 (o) "Board" refers to the property tax replacement fund board  
4 established under section 10 of this chapter.

5 SECTION 31. IC 6-1.1-21-5, AS AMENDED BY P.L.219-2007,  
6 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JULY 1, 2009]: Sec. 5. (a) Each year the taxpayers of each county shall  
8 receive a credit for property tax replacement in the amount of each  
9 taxpayer's property tax replacement credit amount for taxes which:

10 (1) under IC 6-1.1-22-9 are due and payable in that year; or

11 (2) under IC 6-1.1-22-9.5 are due in installments established by  
12 the department of local government finance for that year.

13 The credit shall be applied to each installment of taxes. The dollar  
14 amount of the credit for each taxpayer shall be determined by the  
15 county auditor, based on data furnished by the department of local  
16 government finance.

17 (b) The tax liability of a taxpayer for the purpose of computing the  
18 credit for a particular year shall be based upon the taxpayer's tax  
19 liability as is evidenced by the tax duplicate for the taxes payable in  
20 that year, plus the amount by which the tax payable by the taxpayer had  
21 been reduced due to the application of county adjusted gross income  
22 tax revenues to the extent the county adjusted gross income tax  
23 revenues were included in the determination of the total county tax levy  
24 for that year, as provided in sections 2(g) and 3 of this chapter,  
25 adjusted, however, for any change in assessed valuation which may  
26 have been made pursuant to a post-abstract adjustment if the change is  
27 set forth on the tax statement or on a corrected tax statement stating the  
28 taxpayer's tax liability, as prepared by the county treasurer in  
29 accordance with IC 6-1.1-22-8(a). However, except when using the  
30 term under section 2(l)(1) of this chapter, the tax liability of a taxpayer  
31 does not include the amount of any property tax owed by the taxpayer  
32 that is attributable to that part of any property tax levy subtracted under  
33 section 2(g)(1)(B), 2(g)(1)(C), 2(g)(1)(D), 2(g)(1)(E), 2(g)(1)(F),  
34 2(g)(1)(G), 2(g)(1)(H), 2(g)(1)(I), 2(g)(1)(J), or 2(g)(1)(K) of this  
35 chapter in computing the total county tax levy.

36 (c) The credit for taxes payable in a particular year with respect to  
37 mobile homes which are assessed under IC 6-1.1-7 is equivalent to the  
38 taxpayer's property tax replacement credit amount for the taxes payable  
39 with respect to the assessments plus the adjustments stated in this  
40 section.

41 (d) (c) Each taxpayer in a taxing district that contains all or part of  
42 an economic development district that meets the requirements of

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section 5.5 of this chapter is entitled to an additional credit for property tax replacement. This credit is equal to the product of:

- (1) the STEP TWO quotient determined under section 4(a)(3) of this chapter for the taxing district; multiplied by
- (2) the taxpayer's taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

SECTION 32. IC 6-1.1-22-9.5, AS AMENDED BY P.L.1-2007, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 9.5. (a) This section applies only to property taxes first due and payable in a year that begins after December 31, 2003:

- (1) with respect to a homestead (as defined in IC 6-1.1-20.9-1); and
- (2) that are not payable in one (1) installment under section 9(c) of this chapter.

(b) At any time before the mailing or transmission of tax statements for a year under section 8 of this chapter, a county may petition the department of local government finance to establish a schedule of installments for the payment of property taxes with respect to

- (1) real property that are based on the assessment of the property in the immediately preceding year. ~~or~~
- (2) ~~a mobile home or manufactured home that is not assessed as real property that are based on the assessment of the property in the current year.~~

The county fiscal body (as defined in IC 36-1-2-6) must approve a petition under this subsection.

(c) The department of local government finance:

- (1) may not establish a date for:
  - (A) an installment payment that is earlier than May 10 of the year in which the tax statement is mailed or transmitted;
  - (B) the first installment payment that is later than November 10 of the year in which the tax statement is mailed or transmitted; or
  - (C) the last installment payment that is later than May 10 of the year immediately following the year in which the tax statement is mailed or transmitted; and
- (2) shall:
  - (A) prescribe the form of the petition under subsection (b);
  - (B) determine the information required on the form; and
  - (C) notify the county fiscal body, the county auditor, and the county treasurer of the department's determination on the petition not later than twenty (20) days after receiving the petition.

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(d) Revenue from property taxes paid under this section in the year immediately following the year in which the tax statement is mailed or transmitted under section 8 of this chapter:

(1) is not considered in the determination of a levy excess under IC 6-1.1-18.5-17 or IC 20-44-3 for the year in which the property taxes are paid; and

(2) may be:

(A) used to repay temporary loans entered into by a political subdivision for; and

(B) expended for any other reason by a political subdivision in the year the revenue is received under an appropriation from; the year in which the tax statement is mailed or transmitted under section 8 of this chapter.

SECTION 33. IC 6-1.1-31-7, AS AMENDED BY P.L.214-2005, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. (a) With respect to the assessment of personal property, the rules of the department of local government finance shall provide for the classification of personal property on the basis of:

(1) date of purchase;

(2) location;

(3) use;

(4) depreciation, obsolescence, and condition; and

(5) any other factor that the department determines by rule is just and proper.

(b) With respect to the assessment of personal property, the rules of the department of local government finance shall include instructions for determining:

(1) the proper classification of personal property;

(2) the effect that location has on the value of personal property;

(3) the cost of reproducing personal property;

(4) the depreciation, including physical deterioration and obsolescence, of personal property;

~~(5) the productivity or earning capacity of mobile homes regularly used to rent or otherwise furnish residential accommodations for periods of thirty (30) days or more;~~

~~(6) the true tax value of mobile homes assessed under IC 6-1.1-7 (other than mobile homes subject to the preferred valuation method under IC 6-1.1-4-39(b)) as the least of the values determined using the following:~~

~~(A) The National Automobile Dealers Association Guide;~~

~~(B) The purchase price of a mobile home if:~~

~~(i) the sale is of a commercial enterprise nature; and~~

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(ii) the buyer and seller are not related by blood or marriage.

~~(C) Sales data for generally comparable mobile homes;~~

~~(7) (5)~~ the true tax value at the time of acquisition of computer application software, for the purpose of deducting the value of computer application software from the acquisition cost of tangible personal property whenever the value of the tangible personal property that is recorded on the taxpayer's books and records reflects the value of the computer application software; and

~~(8) (6)~~ the true tax value of personal property based on the factors listed in this subsection and any other factor that the department determines by rule is just and proper.

(c) In providing for the classification of personal property and the instructions for determining the items listed in subsection (b), the department of local government finance shall not include the value of land as a cost of producing tangible personal property subject to assessment.

(d) With respect to the assessment of personal property, true tax value does not mean fair market value. Subject to this article, true tax value is the value determined under rules of the department of local government finance.

SECTION 34. IC 6-1.1-39-5, AS AMENDED BY P.L.154-2006, SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) A declaratory ordinance adopted under section 2 of this chapter and confirmed under section 3 of this chapter must include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. The allocation provision must apply to the entire economic development district. The allocation provisions must require that any property taxes subsequently levied by or for the benefit of any public body entitled to a distribution of property taxes on taxable property in the economic development district be allocated and distributed as follows:

(1) Except as otherwise provided in this section, the proceeds of the taxes attributable to the lesser of:

(A) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or

(B) the base assessed value;

shall be allocated to and, when collected, paid into the funds of the respective taxing units. However, if the effective date of the allocation provision of a declaratory ordinance is after March 1,

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1 1985, and before January 1, 1986, and if an improvement to  
 2 property was partially completed on March 1, 1985, the unit may  
 3 provide in the declaratory ordinance that the taxes attributable to  
 4 the assessed value of the property as finally determined for March  
 5 1, 1984, shall be allocated to and, when collected, paid into the  
 6 funds of the respective taxing units.

7 (2) Except as otherwise provided in this section, part or all of the  
 8 property tax proceeds in excess of those described in subdivision  
 9 (1), as specified in the declaratory ordinance, shall be allocated to  
 10 the unit for the economic development district and, when  
 11 collected, paid into a special fund established by the unit for that  
 12 economic development district that may be used only to pay the  
 13 principal of and interest on obligations owed by the unit under  
 14 IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing of  
 15 industrial development programs in, or serving, that economic  
 16 development district. The amount not paid into the special fund  
 17 shall be paid to the respective units in the manner prescribed by  
 18 subdivision (1).

19 (3) When the money in the fund is sufficient to pay all  
 20 outstanding principal of and interest (to the earliest date on which  
 21 the obligations can be redeemed) on obligations owed by the unit  
 22 under IC 4-4-8 (before its repeal) or IC 5-28-9 for the financing  
 23 of industrial development programs in, or serving, that economic  
 24 development district, money in the special fund in excess of that  
 25 amount shall be paid to the respective taxing units in the manner  
 26 prescribed by subdivision (1).

27 (b) Property tax proceeds allocable to the economic development  
 28 district under subsection (a)(2) must, subject to subsection (a)(3), be  
 29 irrevocably pledged by the unit for payment as set forth in subsection  
 30 (a)(2).

31 (c) For the purpose of allocating taxes levied by or for any taxing  
 32 unit or units, the assessed value of taxable property in a territory in the  
 33 economic development district that is annexed by any taxing unit after  
 34 the effective date of the allocation provision of the declaratory  
 35 ordinance is the lesser of:

36 (1) the assessed value of the property for the assessment date with  
 37 respect to which the allocation and distribution is made; or

38 (2) the base assessed value.

39 (d) Notwithstanding any other law, each assessor shall, upon  
 40 petition of the fiscal body, reassess the taxable property situated upon  
 41 or in, or added to, the economic development district effective on the  
 42 next assessment date after the petition.

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(e) Notwithstanding any other law, the assessed value of all taxable property in the economic development district, for purposes of tax limitation, property tax replacement (except as provided in IC 6-1.1-21-3(c) **and** IC 6-1.1-21-4(a)(3)), ~~and IC 6-1.1-21-5(c))~~, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.

(f) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment under IC 6-1.1-4, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the general reassessment on the property tax proceeds allocated to the district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1.

(g) As used in this section, "property taxes" means:

- (1) taxes imposed under this article on real property; and
- (2) any part of the taxes imposed under this article on depreciable personal property that the unit has by ordinance allocated to the economic development district. However, the ordinance may not limit the allocation to taxes on depreciable personal property with any particular useful life or lives.

If a unit had, by ordinance adopted before May 8, 1987, allocated to an economic development district property taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the ordinance continues in effect until an ordinance is adopted by the unit under subdivision (2).

(h) As used in this section, "base assessed value" means:

- (1) the net assessed value of all the property as finally determined for the assessment date immediately preceding the effective date of the allocation provision of the declaratory resolution, as adjusted under subsection (f); plus
- (2) to the extent that it is not included in subdivision (1), the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as

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1 finally determined for any assessment date after the effective date  
2 of the allocation provision.

3 Subdivision (2) applies only to economic development districts  
4 established after June 30, 1997, and to additional areas established  
5 after June 30, 1997.

6 SECTION 35. IC 6-3.5-7-26, AS AMENDED BY P.L.224-2007,  
7 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2009]: Sec. 26. (a) This section applies only to homestead and  
9 property tax replacement credits for property taxes first due and  
10 payable after calendar year 2006.

11 (b) The following definitions apply throughout this section:

12 (1) "Adopt" includes amend.

13 (2) "Adopting entity" means:

14 (A) the entity that adopts an ordinance under  
15 IC 6-1.1-12-41(f); or

16 (B) any other entity that may impose a county economic  
17 development income tax under section 5 of this chapter.

18 (3) "Homestead" refers to tangible property that is eligible for a  
19 homestead credit under IC 6-1.1-20.9.

20 (4) "Residential" refers to the following:

21 (A) Real property ~~a mobile home~~, and industrialized housing  
22 that would qualify as a homestead if the taxpayer had filed for  
23 a homestead credit under IC 6-1.1-20.9.

24 (B) Real property not described in clause (A) designed to  
25 provide units that are regularly used to rent or otherwise  
26 furnish residential accommodations for periods of thirty (30)  
27 days or more, regardless of whether the tangible property is  
28 subject to assessment under rules of the department of local  
29 government finance that apply to:

30 (i) residential property; or

31 (ii) commercial property.

32 (c) An adopting entity may adopt an ordinance to provide for the use  
33 of the certified distribution described in section 16(c) of this chapter for  
34 the purpose provided in subsection (e). An adopting entity that adopts  
35 an ordinance under this subsection shall use the procedures set forth in  
36 IC 6-3.5-6 concerning the adoption of an ordinance for the imposition  
37 of the county option income tax. An ordinance must be adopted under  
38 this subsection after January 1, 2006, and before June 1, 2006, or, in a  
39 year following 2006, after March 31 but before August 1 of a calendar  
40 year. The ordinance may provide for an additional rate under section  
41 5(p) of this chapter. An ordinance adopted under this subsection:

42 (1) first applies to the certified distribution described in section

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1 16(c) of this chapter made in the later of the calendar year that  
 2 immediately succeeds the calendar year in which the ordinance is  
 3 adopted or calendar year 2007; and

4 (2) must specify that the certified distribution must be used to  
 5 provide for one (1) of the following, as determined by the  
 6 adopting entity:

7 (A) Uniformly applied increased homestead credits as  
 8 provided in subsection (f).

9 (B) Uniformly applied increased residential credits as  
 10 provided in subsection (g).

11 (C) Allocated increased homestead credits as provided in  
 12 subsection (i).

13 (D) Allocated increased residential credits as provided in  
 14 subsection (j).

15 An ordinance adopted under this subsection may be combined with an  
 16 ordinance adopted under section 25 of this chapter.

17 (d) If an ordinance is adopted under subsection (c), the percentage  
 18 of the certified distribution specified in the ordinance for use for the  
 19 purpose provided in subsection (e) shall be:

20 (1) retained by the county auditor under subsection (k); and

21 (2) used for the purpose provided in subsection (e) instead of the  
 22 purposes specified in the capital improvement plans adopted  
 23 under section 15 of this chapter.

24 (e) If an ordinance is adopted under subsection (c), the adopting  
 25 entity shall use the certified distribution described in section 16(c) of  
 26 this chapter to increase:

27 (1) if the ordinance grants a credit described in subsection  
 28 (c)(2)(A) or (c)(2)(C), the homestead credit allowed in the county  
 29 under IC 6-1.1-20.9 for a year; or

30 (2) if the ordinance grants a credit described in subsection  
 31 (c)(2)(B) or (c)(2)(D), the property tax replacement credit allowed  
 32 in the county under IC 6-1.1-21-5 for a year for the residential  
 33 property;

34 to offset the effect on homesteads or residential property, as applicable,  
 35 in the county resulting from the statewide deduction for inventory  
 36 under IC 6-1.1-12-42. The amount of an additional residential property  
 37 tax replacement credit granted under this section may not be  
 38 considered in computing the amount of any homestead credit to which  
 39 the residential property may be entitled under IC 6-1.1-20.9 or another  
 40 law other than IC 6-1.1-20.6.

41 (f) If the imposing entity specifies the application of uniform  
 42 increased homestead credits under subsection (c)(2)(A), the county

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auditor shall, for each calendar year in which an increased homestead credit percentage is authorized under this section, determine:

- (1) the amount of the certified distribution that is available to provide an increased homestead credit percentage for the year;
- (2) the amount of uniformly applied homestead credits for the year in the county that equals the amount determined under subdivision (1); and
- (3) the increased percentage of homestead credit that equates to the amount of homestead credits determined under subdivision (2).

(g) If the imposing entity specifies the application of uniform increased residential credits under subsection (c)(2)(B), the county auditor shall determine for each calendar year in which an increased homestead credit percentage is authorized under this section:

- (1) the amount of the certified distribution that is available to provide an increased residential property tax replacement credit percentage for the year;
- (2) the amount of uniformly applied residential property tax replacement credits for the year in the county that equals the amount determined under subdivision (1); and
- (3) the increased percentage of residential property tax replacement credit that equates to the amount of residential property tax replacement credits determined under subdivision (2).

(h) The increased percentage of homestead credit determined by the county auditor under subsection (f) or the increased percentage of residential property tax replacement credit determined by the county auditor under subsection (g) applies uniformly in the county in the calendar year for which the increased percentage is determined.

(i) If the imposing entity specifies the application of allocated increased homestead credits under subsection (c)(2)(C), the county auditor shall, for each calendar year in which an increased homestead credit is authorized under this section, determine:

- (1) the amount of the certified distribution that is available to provide an increased homestead credit for the year; and
- (2) except as provided in subsection (1), an increased percentage of homestead credit for each taxing district in the county that allocates to the taxing district an amount of increased homestead credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the immediately preceding year's assessment date bears to the total

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inventory assessed value deducted under IC 6-1.1-12-42 in the county for the immediately preceding year's assessment date.

(j) If the imposing entity specifies the application of allocated increased residential property tax replacement credits under subsection (c)(2)(D), the county auditor shall determine for each calendar year in which an increased residential property tax replacement credit is authorized under this section:

(1) the amount of the certified distribution that is available to provide an increased residential property tax replacement credit for the year; and

(2) except as provided in subsection (1), an increased percentage of residential property tax replacement credit for each taxing district in the county that allocates to the taxing district an amount of increased residential property tax replacement credits that bears the same proportion to the amount determined under subdivision (1) that the amount of inventory assessed value deducted under IC 6-1.1-12-42 in the taxing district for the immediately preceding year's assessment date bears to the total inventory assessed value deducted under IC 6-1.1-12-42 in the county for the immediately preceding year's assessment date.

(k) The county auditor shall retain from the payments of the county's certified distribution an amount equal to the revenue lost, if any, due to the increase of the homestead credit or residential property tax replacement credit within the county. The money shall be distributed to the civil taxing units and school corporations of the county:

(1) as if the money were from property tax collections; and

(2) in such a manner that no civil taxing unit or school corporation will suffer a net revenue loss because of the allowance of an increased homestead credit or residential property tax replacement credit.

(l) Subject to the approval of the imposing entity, the county auditor may adjust the increased percentage of:

(1) homestead credit determined under subsection (i)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the homesteads in the county; or

(2) residential property tax replacement credit determined under subsection (j)(2) if the county auditor determines that the adjustment is necessary to achieve an equitable reduction of property taxes among the residential property in the county.

SECTION 36. IC 9-13-2-96 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 96. ~~(a)~~ "Manufactured

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home" means ~~except as provided in subsection (b)~~, a structure that:

- (1) is assembled in a factory;
- (2) bears a seal certifying that it was built in compliance with the federal manufactured housing construction and safety standards law (42 U.S.C. 5401 et seq.);
- (3) is designed to be transported from the factory to another site in one (1) or more units;
- (4) is suitable for use as a dwelling in any season; and
- (5) is more than thirty-five (35) feet long.

~~(b) "Manufactured home", for purposes of IC 9-17-6, means a structure having the meaning set forth in the federal manufactured Housing Construction and Safety Standards Law of 1974 (42 U.S.C. 5401 et seq.);~~

SECTION 37. IC 9-22-1.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. The affidavit of sale or disposal under this chapter constitutes proof of ownership and right to have the mobile home ~~titled~~ **recorded** in the purchaser's, property owner's, or donee's name under ~~IC 9-17-6-12~~: **IC 36-2-21**.

SECTION 38. IC 26-1-9.1-311, AS AMENDED BY P.L.210-2005, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 311. (a) Except as otherwise provided in subsection (d), the filing of a financing statement is not necessary or effective to perfect a security interest in property subject to:

- (1) a statute, regulation, or treaty of the United States whose requirements for a security interest's obtaining priority over the rights of a lien creditor with respect to the property preempt IC 26-1-9.1-310(a);
- (2) any Indiana certificate-of-title statute covering automobiles, trailers, mobile homes, or boats, which provides for a security interest to be indicated on the certificate as a condition or result of perfection; ~~or~~
- (3) a certificate-of-title statute of another jurisdiction which provides for a security interest to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the property; **or**
- (4) a statute concerning evidence of ownership of a manufactured home under IC 36-2-21.**

(b) Compliance with the requirements of a statute, regulation, or treaty described in subsection (a) for obtaining priority over the rights of a lien creditor is equivalent to the filing of a financing statement under IC 26-1-9.1. Except as otherwise provided in subsection (d), IC 26-1-9.1-313, IC 26-1-9.1-316(d), and IC 26-1-9.1-316(e) for goods

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covered by a certificate of title, a security interest in property subject to a statute, regulation, or treaty described in subsection (a) may be perfected only by compliance with those requirements, and a security interest so perfected remains perfected notwithstanding a change in the use or transfer of possession of the collateral.

(c) Except as otherwise provided in subsection (d), IC 26-1-9.1-316(d), and IC 26-1-9.1-316(e), duration and renewal of perfection of a security interest perfected by compliance with the requirements prescribed by a statute, regulation, or treaty described in subsection (a) are governed by the statute, regulation, or treaty. In other respects, the security interest is subject to IC 26-1-9.1.

(d) During any period in which collateral, subject to a statute specified in subsection (a)(2) **or (a)(4)**, is inventory held for sale or lease by a person or leased by that person as lessor, and that person is in the business of selling goods of that kind, this section does not apply to a security interest in that collateral created by that person, but instead, the filing provisions of IC 26-1-9.1-501 through IC 26-1-9.1-527 apply.

SECTION 39. IC 36-2-11-14, AS AMENDED BY P.L.106-2007, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 14. (a) The recorder may record:

- (1) a deed of partition;
- (2) a conveyance of land; or
- ~~(3) an affidavit of transfer to real estate;~~

**(3) evidence of ownership (as required under IC 36-2-21);** only if it has been endorsed by the auditor of the proper county as "duly entered for taxation subject to final acceptance for transfer", "not taxable", or "duly entered for taxation" as provided by IC 36-2-9-18.

(b) A recorder who violates this section shall forfeit the sum of five dollars (\$5), to be recovered by an action in the name of the county, for the benefit of the common school fund.

SECTION 40. IC 36-2-21 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]:

**Chapter 21. Evidence of Ownership of Manufactured Home**

**Sec. 1. A person who owns a manufactured home shall provide evidence of ownership to the county recorder of the county in which the manufactured home is located.**

**Sec. 2. (a) The department of local government finance shall establish a form that may be filed with the county recorder as evidence of ownership.**

**(b) The form under subsection (a) must include the following**

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**information:**

- (1) A full description of the manufactured home.**
- (2) A statement of the person's ownership interest and of any lien or encumbrance upon the manufactured home.**
- (3) The following printed statement:**

**"I swear or affirm that the information that I have entered on this form is correct. I understand that making a false statement on this form may constitute the crime of perjury."**
- (4) The signature of the person claiming the ownership interest directly under the statement set forth in subdivision (3).**
- (5) The following numbers, if the numbers are available:**
  - (A) A unique serial number assigned by the manufacturer to the manufactured home.**
  - (B) The certification label number required by the United States Department of Housing and Urban Development for the manufactured home.**

**If neither the number described in clause (A) nor the number described in clause (B) is available, the department of local government finance shall issue a special identification number for the manufactured home.**
- (6) Proof of payment of the following:**
  - (A) Any sales and use taxes applicable to the purchase of the manufactured home under IC 6-2.5.**
  - (B) Any property taxes levied on the manufactured home, regardless of the county that levied the taxes.**
- (7) Any other information required under rules adopted under IC 4-22-2 by the department of local government finance.**

**Sec. 3. If evidence of ownership:**

- (1) has been previously recorded for a manufactured home in Indiana, the form for evidence of ownership must be accompanied by a certified copy of the previous evidence of ownership form; or**
- (2) has not previously been recorded for a manufactured home in Indiana, the application must be accompanied by a manufacturer's certificate of origin as provided in IC 9-17-8.**

**Sec. 4. If the evidence of ownership is being recorded for a manufactured home brought into Indiana from another state, the evidence of ownership form must be accompanied by:**

- (1) the certificate of title issued for the manufactured home by**

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the other state if the other state has a certificate of title law;  
or  
(2) a sworn bill of sale or dealer's invoice fully describing the  
manufactured home and the most recent registration receipt  
if the other state does not have a certificate of title law.

Sec. 5. Except as otherwise provided, IC 26-1-9.1 applies to a  
security interest in a manufactured home.

Sec. 6. A security agreement covering a security interest in a  
manufactured home that is not inventory held for sale may be  
perfected only by recording the security interest:

- (1) with the county recorder of the county in which the  
manufactured home is located; and
- (2) on the evidence of ownership form or duplicate evidence  
of ownership form for the manufactured home.

Sec. 7. (a) A secured party that:

- (1) submits a properly completed evidence of ownership form  
to the county recorder; and
- (2) pays any fees required by the county recorder under  
IC 36-2-11-6;

may have a notation of a security interest in the manufactured  
home made on the face of the evidence of ownership form by the  
county recorder.

(b) The county recorder shall do the following:

- (1) Enter the notation and the date of the notation on the  
evidence of ownership form.
- (2) Make a corresponding entry in the county recorder's  
records.

Sec. 8. When a security interest indicated on an evidence of  
ownership form for a manufactured home is discharged, the person  
who holds the security interest shall note the discharge of the  
security interest over the person's signature on the evidence of  
ownership form.

Sec. 9. The county recorder shall retain all items submitted to  
support the recording of the evidence of ownership.

Sec. 10. The county recorder shall use reasonable diligence in  
determining if the facts stated in an evidence of ownership form  
are true.

Sec. 11. If the county recorder is satisfied that the person  
recording the evidence of ownership is the owner of the  
manufactured home or is otherwise entitled to have the  
manufactured home evidence of ownership recorded in the  
person's name, the county recorder shall record the evidence of

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ownership in the manner required by IC 36-2-11-8, if the auditor of the county has performed the endorsement required by IC 36-2-9-18.

**Sec. 12. A recording of evidence of ownership is valid for the life of the manufactured home as long as the manufactured home is:**

- (1) owned or held by the original person recording the evidence of ownership; and
- (2) located in the county in which the evidence of ownership is recorded.

**Sec. 13. If a manufactured home is transported to a location in Indiana and outside the county where the evidence of ownership is recorded, the owner of the manufactured home shall:**

- (1) notify the county recorder of the county where the evidence of ownership is recorded; and
- (2) record evidence of ownership in the county to which the manufactured home was transported.

**Sec. 14. A person who violates this chapter commits a Class C infraction.**

**SECTION 41. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2009]: IC 6-1.1-7; IC 6-1.1-12-40.5; IC 6-1.1-21-11; IC 9-29-4-5.5.**

**SECTION 42. [EFFECTIVE JULY 1, 2008] (a) The definitions in IC 6-1.1-1 apply throughout this SECTION.**

**(b) The department of local government finance shall adopt rules under IC 4-22-2 to govern the assessment of mobile homes as real property as required under this act.**

**(c) A mobile home required under this act to be assessed as real property may not be assessed until the assessment date in the calendar year following the year in which the mobile home was assessed as personal property under IC 6-1.1-7 (before its repeal by this act).**

**SECTION 43. [EFFECTIVE JULY 1, 2008] The legislative services agency shall prepare legislation for introduction in the 2009 regular session of the general assembly to organize and correct statutes affected by this act, if necessary.**

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